Estimating your Social Security retirement check

Retirement just around the corner? You are probably wondering how much your Social Security checks will be. You can get an approximate answer in this leaflet.

A retired worker and spouse can get full monthly checks if they wait until 65 to start getting benefits. This is true even though the method used to figure payments is based on when a worker reaches 62.

The information given here is limited to retirement checks for people who reached 62 in 1979 through 1983. Social Security also pays disability and survivors benefits, but for information about these benefits, call any Social Security office.

This leaflet can give you a rough estimate, not an exact figure, of what your retirement check will be. Retirement benefits for people who reached 62 in 1979 through 1983 will be figured two ways. First, they will be figured by the method described in this leaflet. Second, they will be figured under the method described in the leaflet, *Estimating your Social Security retirement check—Using the "Indexing" method.* The benefit payable will be the higher of the two calculations.

Under this method, actual earnings for the past years will be adjusted to take account of changes in average wages since 1951. These adjusted earnings will be averaged together and the benefit rate figured from this average. You will receive at least as much as the rate you get by using the method described in this leaflet. You will get more if the new method results in a higher benefit rate.

You need work credits

Before you can get a Social Security retirement check, you need to have credit for a certain amount of work under Social Security. The chart below shows how much credit you need.

If you reach 62 in	You need credit for this much work
1979	7
1980	7¼
1981	7½
1982	7¾
1983	8

No one ever needs more than 10 years of work.

READEX FICHE

If you stop working under Social Security before you have this much credit, you can't get retirement benefits. But the credit you've earned will stay on your record, and you can add to it if you return to work in a job covered by Social Security. (You can request a statement of your Social Security earnings at any time. You can get the request form at any Social Security office.)

Here's how to estimate the amount

Follow the directions below and you'll find out the approximate amount of the monthly checks you'll get from Social Security after you retire.

Step 1

Your retirement check is based on your average earnings over a period of years. Based on the year you were born, pick the number of years you need to count from the following chart.

Year you were born	Years needed
1917	23
1918	24
1919	25
1920	26
1921	27

Write the number of years here ____

Step 2
Fill in the worksheet on the next page. Column "A" shows maximum earnings covered by Social Security. In Column "B," list your earnings beginning with 1951. Write "0" for a year of no earnings. If you earned more than the maximum in any year, list only the maximum. Do not include earnings for the year you reach 62 or later, because earnings for those years cannot be used with this method of estimating benefits.

Step 3
Cross off your list the years of your *lowest* earnings until the number of years left is the same as your answer to Step 1. (You may have to leave some years of "0" earnings on your list.)

Worksheet

YEAR	A	B
1951	3,600	
1952	3,600	
1953	3,600	
1954	3,600	
1955	4,200	
1956	4,200	
1957	4,200	
1958	4,200	
1959	4,800	
1960	4,800	
1961	4,800	
1962	4,800	
1963	4,800	
1964	4,800	
1965	4,800	
1966	6,600	
1967	6,600	
1968	7,800	
1969	7,800	
1970	7,800	
1971	7,800	
1972	9,000	
1973	10,800	
1974	13,200	
1975	14,100	
1976	15,300	
1977	16,500	
1978	17,700	
1979	22,900	
1980	25,900	
1981	29,700	
1982	32,400	
TOTAL		

Step 4
Add up the earnings for the years left on your list. Write this figure in the space marked TOTAL at the bottom of the worksheet and here.

$ _____

Step 5
Divide this total by the number you wrote for Step 1. The result is your average yearly earnings covered by Social Security. Write the figure here.

$ _____

Step 6
Look at the benefit chart on pages 9 and 10. Under the heading, "For Workers," find the average yearly earnings figure *closest* to your own. Look over to the column listing your age at retirement to see about how much you can expect to get. Write the figure here.

$ _____

Step 7
If you have an eligible spouse or child, or both, look under the heading "For Dependents" to find about how much they can get, based on the same average yearly earnings you used to figure your check. Write the amount of any dependents' benefits here.

$ _____

Step 8
Multiply the benefit amounts obtained in Steps 6 and 7 by cost-of-living increases starting with the year you reach 62.

The cost-of-living increases are:
1979—9.9 percent
1980—14.3 percent
1981—11.2 percent
1982—7.4 percent
1983—3.5 percent
1984—3.5 percent
1985—3.1 percent
Write the amounts here

$ _____

$ _____

Step 9
Finally, add the figures you wrote for Step 8 to see about how much your total family retirement benefit will be under Social Security. Write the figure here.

$ _____

The total cannot exceed the amount in the "Family benefits" column on page 10, increased as indicated in Step 8.

Monthly retirement benefits for workers who reach 62 in 1979-83

	For Workers				For Dependents[1]				
Average yearly earnings	Retirement at 65	at 64	at 63	at 62	Spouse at 65 or child	at 64	at 63	at 62	Family[2] benefits
1,200	156.70	146.30	135.90	125.40	78.40	71.90	65.40	58.80	235.10
2,600	230.10	214.80	199.50	184.10	115.10	105.50	95.90	86.40	345.20
3,000	251.80	235.10	218.30	201.50	125.90	115.40	104.90	94.50	384.90
3,400	270.00	252.00	234.00	216.00	135.00	123.80	112.50	101.30	434.90
4,000	296.20	276.50	256.80	237.00	148.10	135.70	123.40	111.10	506.20
4,400	317.30	296.20	275.00	253.90	158.70	145.40	132.20	119.10	562.50
4,800	336.00	313.60	291.20	268.80	168.00	153.90	140.00	126.00	612.70
5,200	353.20	329.70	306.20	282.60	176.60	161.80	147.20	132.50	662.70
5,600	370.60	345.90	321.20	296.50	185.30	169.80	154.40	139.00	687.10
6,000	388.20	362.40	336.50	310.60	194.10	177.80	161.70	145.60	712.10
6,400	405.60	378.60	351.60	324.50	202.80	185.80	169.00	152.10	737.10
6,800	424.10	395.90	367.60	339.30	212.10	194.30	176.70	159.10	762.30
7,200	446.00	416.30	386.60	356.80	223.00	204.30	185.80	167.30	788.90
7,600	465.60	434.60	403.60	372.50	232.80	213.30	194.00	174.60	814.70
8,000	482.60	450.50	418.30	386.10	241.30	221.10	201.10	181.00	844.50
8,400	492.90	460.10	427.20	394.40	246.50	225.80	205.40	184.90	862.60
8,800	505.10	471.50	437.80	404.10	252.60	231.40	210.50	189.50	883.80
9,200	516.00	481.60	447.20	412.80	258.00	236.40	215.00	193.50	903.00
9,400	520.40	485.80	451.10	416.40	260.20	238.40	216.80	195.20	910.40
9,600	524.60	489.70	454.70	419.70	262.30	240.30	218.50	196.80	918.00
9,800	530.40	495.10	459.70	424.40	265.20	243.00	221.00	198.90	928.00
10,000	534.70	499.10	463.50	427.80	267.40	245.00	222.80	200.60	935.70

[1] If a person is eligible for both a worker's benefit and a spouse's benefit, the check actually payable is limited to the larger of the two.

[2] The maximum amount payable to a family is generally reached when a worker and two family members are eligible.

A word about maximum benefits

Some people think that if they've always earned the maximum amount covered by Social Security they will get the highest benefits shown on the chart. This isn't so. The reason is that the maximum amount of earnings covered by Social Security was lower in past years than it is now. Those years of lower limits must be counted in with the higher ones of recent years to figure your *average* earnings and thus the amount of your monthly retirement check.

The "notch" effect

The so-called "notch" refers to the situation in which some workers born in 1916 and earlier—with benefits figured under the method in effect before the 1977 amendments—receive higher monthly benefits than workers born in 1917 and later who have similar earnings histories and who retire at the same age with benefits figured under the new indexing method.

The "notch" is not the transitional provision, which is also a part of the 1977 amendments. Under this provision, benefits for workers who were born between 1917 and 1921 are figured two ways—under the new indexing method and under a modified version of the method in effect before the 1977 amendments. Workers in these age groups are paid a benefit rate based on the higher of the two calculations. Workers born after 1921 have their benefits figured only under the indexing method.

For more information

If you would like more information about Social Security benefits or help in estimating benefits, contact any Social Security office. The people there will be glad to help you.

If you come to the office to get more information about benefit checks, please bring your Form W-2 for the last year or copies of your last Federal income tax returns if you are self-employed.

If you wish to apply for benefits, you should have with you, in addition to your W-2 or tax return, the following:

- Your own Social Security card or a record of your number.
- Proof of your age: a birth certificate or a baptismal certificate made at or shortly after birth if you have one.
- Your marriage certificate if you're applying for benefits as a spouse.
- Your children's birth certificates if you're applying for them.

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